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HOUSE BILL 3062

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State of Washington                      60th Legislature                      2008 Regular Session

By Representatives Schual-Berke, Hudgins, Dickerson, Hasegawa, Chase, Upthegrove, and Nelson

Read first time 01/21/08. Referred to Committee on Finance.

1            AN ACT Relating to requiring voter approval for property tax  
2 increases above one percent for port districts with an assessed value  
3 exceeding two hundred billion dollars through the elimination of banked  
4 levy capacity; amending RCW 84.55.092; and creating a new section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6            **Sec. 1.** RCW 84.55.092 and 1998 c 16 s 3 are each amended to read  
7 as follows:

8            (1) Except as provided in subsection (2) of this section, the  
9 regular property tax levy for each taxing district other than the state  
10 may be set at the amount which would be allowed otherwise under this  
11 chapter if the regular property tax levy for the district for taxes due  
12 in prior years beginning with 1986 had been set at the full amount  
13 allowed under this chapter including any levy authorized under RCW  
14 52.16.160 that would have been imposed but for the limitation in RCW  
15 52.18.065, applicable upon imposition of the benefit charge under  
16 chapter 52.18 RCW.

17            (2) Subsection (1) of this section does not apply to a port  
18 district with an assessed value in excess of two hundred billion  
19 dollars or more on January 1st of the year in which the levy is set.

1        (3) The purpose of subsection (1) of this section is to remove the  
2 incentive for a taxing district to maintain its tax levy at the maximum  
3 level permitted under this chapter, and to protect the future levy  
4 capacity of a taxing district that reduces its tax levy below the level  
5 that it otherwise could impose under this chapter, by removing the  
6 adverse consequences to future levy capacities resulting from such levy  
7 reductions.

8        NEW SECTION. **Sec. 2.** This act applies retroactively to all banked  
9 levy capacity existing before the effective date of this act as well as  
10 prospectively.

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